

NERT / NDEP / EPA BI-WEEKLY PROGRESS REPORTING

February 1, 2017
(877) 848-7030; Passcode 5921807

| CRITICAL PATH ITEMS | | |
|---|--|-------|
| NERT | NEVADA | AECOM |
| <ol style="list-style-type: none"> 1. Revising 60% weir design package to accommodate SNWA request to move pump stations. Expedited completion of revised 60% and "75%" design in progress as requested by BOR and CC. 2. Preparation of the Biological Survey Report to support possible categorical exclusion for Weir project. 3. Submittal of draft 2017 Trust budget. | <ol style="list-style-type: none"> 1. Awaiting comments from BWPC on weir dewatering treatment NPDES application submitted on 12/28/16. Site walk with BWPC planned for 2/15/17. 2. Awaiting issuance of new Minor Source Air Permit from DAQ. | |

| GWETS STATUS | | | |
|--|---|---|--|
| GW-11 | FBR | IX | LIFT STATIONS / WELL FIELDS |
| <ul style="list-style-type: none"> • Offline (EQ) • Volume 48.63 MG; W/W + ~1.7 MG | <ul style="list-style-type: none"> • Condition normal. | <ul style="list-style-type: none"> • System readiness has been achieved. • Initial system tasking approved by NDEP. | <ul style="list-style-type: none"> • All Lift Stations operating normal. • Preparation to implement LS#2 Corrective Action Plan. |

| NERT REMEDIAL INVESTIGATION STATUS | | | |
|---|---|--|------------------------------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| Community Involvement | Revision of CIP for Phase 3 in progress. | Submittal of CIP to NDEP; Preparation and transmittal of mailing and scheduling of meeting. | Wk 14/12 85% |
| RI Phase 2 Access Agreements | Identification of access requirements in progress. | Communication with the various entities. | Ongoing |
| <u>Soils / Groundwater Investigation</u> | Phase 2 RI mobilization in progress. | Phase 2 RI field investigation implementation (begins February 6th). | Wk 9/46 7% |
| Soils Investigation (Unit 4/5) | 68 borings have been completed; Groundwater well installed north of Unit 4 sampled on 1/3/17. | Receipt of analytical and preparation of reporting. | Wk 31/44 ¹ 82% |
| Treatability Study : Flushing | Preparation of Treatability study results report in progress. | Report submittal in February. | Wk 33/24 90% |
| GW Modeling – Phase 5 | Phase 5 model submitted on 11/16/16 and under NDEP review. Scheduled roundtable meeting w/ Stakeholders for February 23 rd . | Review of NDEP comments on Phase 5 model (when received). | TBD |
| Source ID : Chloroform | On hold - awaiting data from unit building and RI Phase 2 investigations. | - | - |
| <u>Operations Area Baseline HRA</u> | Met with NDEP on 12/19/16 to discuss comments and agree on path forward. Comments on Broadbent meeting minutes submitted. | Revise COPC/EU Report in accordance with comments once concurrence on meeting summary is obtained. | TBD |
| <u>RI Work Plan Amend. : SWF</u> <u>GWB Treatability Study</u> | Biological survey completed in December. Geophysical survey completed in January. | Exploratory soil borings/wells to be installed in late-February. | Wk 8/90 10% |

¹ Project schedule through submittal of the 2nd Mobilization Sampling Tech Memo.

* **BOLD** items indicate change in task status

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| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| RI Work Plan Amend. : IWF In-Situ Treatability Study (Cr) | Well installation complete in AP Area; Baseline sampling complete. UNLV studies underway. | Install CRB wells; Begin injections. | Wk 15/55 27% |
| RI Work Plan Amend. : Soil Flushing Pilot (CRB) | Submittal in Q2 2017. | - | TBD |
| RI Work Plan Amend. : TDS Impacts in UMCf | Preparation of work plan in progress. | Submittal of work plan as RI addendum. | Wk 41/38 85% |
| RI Work Plan Amend. : TDS Impacts on Remediation and GWETS | Preparation of work plan in progress. | Schedule February meeting w/ NDEP to discuss project work plan prior to submittal. | Wk 26/12 90% |
| Eastside (Common Area) Investigation Work Plan | Incorporation of BRC data into database and work plan preparation. | NERT to meet w/ NDEP/EPA to discuss RAOs on 2/22/16 prior to WP submittal. | Wk 11/16 65% |

| NDEP DOWNGRADIENT INVESTIGATION STATUS | | | |
|---|---|--|------------------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| AECOM TASK 130 General WP Documents | Submitted of Work Plan for the next data collection effort (see Task 170). | HASP and QAPP updates as needed. | See Task 170 |
| <u>AECOM TASK 131</u> <u>EA for LVW/BOR Area</u> | SF-299 for geophysical pilot confirmation borings submitted to BOR 1/11/17. Realignment between NERT/NDEP/AECOM and BOR in progress. Meetings held on January 25 th and 27 th . | Preparation of EA following BOR template. | Wk 27/105 25% |
| AECOM TASK 151 SW Investigation Plan | Issued Final SWIP on 12/27/16. Installed staff gage installation. | Transect sampling 1/30 – 2/3; Discreet grab sampling 2/6 – 2/10. | Wk 26/48 40% |
| AECOM TASK 160 Geophysical Pilot Test Plan | See task 131 above. | See task 131 above. | Wk 56/72 60% |
| <u>AECOM TASK 170</u> <u>GW Investigation</u> | Review of Phase 1 Groundwater Investigation Plan underway. | Address NDEP/NERT comments. | Wk 17/67 15% |

| GWETS / COP PROJECTS | | | |
|--------------------------------------|--|---|-----------------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| ETI Work Authorizations / Amendments | <u>In Negotiation</u> <ul style="list-style-type: none"> Secondary containment upgrades IWF data capture updates IWF VFD upgrades GW sampling amendments AP-5 Treatment amendment | - | ONGOING |
| <u>AP-5 Solids Removal</u> | Removal of abandoned infrastructure 90% complete; 40+ unanticipated items discovered to date. Removal of remaining items planned once pond is dry. Double walled containment piping installed; Slurring and transfer of material underway - ~99% of pumpable solids have been transferred. Additional crystals discovered. | Completion of mixing/transfer of AP-5 material and removal of abandoned infrastructure. | Wk 54/55 80% |

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| GWETS / COP PROJECTS | | | |
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| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| <u>AP-5 Closure</u> | Developed procedures and completed safety review for AP-5 Pond side liner removal; preparing scope and proposal for Phase Va AP-5 Pond closure planning; scoping initial procedures for gravel, bottom liner, and berm removal. | Initiate side liner removal; conduct PHA and DEKRA material testing for gravel, bottom liner, and berm removal. | ASAP |
| <u>GWETS/NET</u> | NERT readying v1.1 roll-out (COP Scorecard). | Receive initial feedback from NDEP/USEPA; Rollout v 1.2 (historical data) and v1.3 (IX instrumentation). | v1.0 Complete |
| Pipeline Flow Evaluation | NDEP approval on project received 8/18. Initial implementation costs inclusive to 2017 budget. | Work to begin upon approval of 2017 budget. | TBD |
| Pipeline Easements | Title search complete. Approx. 75% of pipeline appears to have significant easement issues. | NERT to determine strategy and budget for continuation of the project. | 70% |
| Water Management Plan | NERT determining multi-year strategy for GW-11 replacement, AP-5 treatment and continued implementation of the COP. | NERT to present strategy to NDEP/EPA. | Ongoing |
| <u>AP Area Soil Flushing Treatability Study</u> | Project implementation in progress. More than 5,200 lbs. of ClO4 removed from environment. Flushing initiated at Subplot 3. | Completion of flushing plots. <i>Overall project progress to be reported during COP meetings.</i> | Wk 15/54 25% |
| Minor Source Air Permit Renewal | Submittal of package to Clark County DAQ 9/21; Submitted initial RTC on 11/16/16. Submitted information in response to additional comments on 1/6/17. | Public notice of draft permit | - |

| OTHER ENVIRONMENTAL PROJECTS | | | |
|--|---|---|--------------------------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| Perchlorate Migration to TIMET | EE/CA path to resume; NERT to work with NDEP on letter. | Work plan to be prepared upon approval of 2017 budget. | TBD |
| Stormwater Conveyance Modification / East-side Grading | All on-site effort is complete. Project documentation and TIMET report preparation in progress. | Submittal of documentation to NDEP and TIMET. | Wk 54/36 92% |
| Parcels Risk Assessment | Met with NDEP on 12/19/16 to discuss comments and agree on path forward. Comments on Broadbent meeting minutes submitted. | Revision of Soil Gas HRA based on receipt of Final Comments and agreements in 12/19/16 meeting. Revisions to Soil HRA following receipt of input from NDEP on Parcel H rad data and Parcel H DVSR letter. | Dep. on NDEP data review |
| Parcel C Soil removal | Completed evaluation of analytical results to define extent of contamination. Coordination of access routes with Tronox complete. Finalizing waste profile and documentation. | Soil removal anticipated in mid-February 2017. | Wk 24/30 40% |
| <u>SMP, Revision 3</u> | NDEP approved Draft SMP. NERT finalizing supporting documentation. | Submit SMP, Revision 3. | TBD |

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| NDEP ORDER : SNWA WEIRS GROUNDWATER TREATMENT | | | |
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| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| EE/CA | NERT received NDPE comment on Action Memorandum. Trust drafting Action Memo Order for NDEP review. | NDEP to provide comment on draft Action Memo Order. | Ongoing |
| Land Access : BOR | Initial access granted for pre-design investigation; NERT preparing revised 60% Design and Biological Survey Report. BOR's best estimate for granting access is late May/early June. | Address comment from BOR. | Ongoing |
| Land Access : CC | NERT met w/ Clark County on 12/13/16 and verified the permitting strategy. Land use permitting has been waived. | NERT to prepare and submit the following design packages: <ul style="list-style-type: none"> Sunrise Mountain Pump Station Design Historical Lateral Pump Station Design Pipeline Design | ASAP |
| Treatment System Design | Submittal of 60% design package to BOR 1/3/17. Revision of 60% design underway to address SNWA comments. Preparation of "75%" package also underway as requested by BOR and CC. | | ASAP |
| Treatment System Procurement | Long-lead equipment ordered (IX, Pumps, Multimedia Filters, Hydro-cyclone). | NERT to submit monthly progress reporting beginning in February. | Ongoing |

| TRUST ADMINISTRATION | | | |
|---|--|--|----------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| Budget Status | Written approval received for 2016-02. | Submittal of 2017 budget. | Ongoing |
| Stakeholder Relations | Preparing for February 23 rd technical meeting. | Technical meeting scheduled February 23 rd in lieu of Q1 call. Annual meeting scheduled for March 29 th - 30 th . | Ongoing |
| Tronox LTCA Projects | 15 active projects; no projects approval pending. | Invoice 105 to be submitted. | Ongoing |
| BWC / BEC Negotiations | In Progress <ul style="list-style-type: none"> LS#2 easement amendment RI Phase 2 access agreement | To Be Discussed <ul style="list-style-type: none"> Corrective easements for pipelines | Ongoing |
| Tronox SLMW Delivery Infrastructure and Charges | Tronox 15 business day review period complete for meter installation project; NERT determining costs for "upper loop" repair. All five meters installed. | NERT collecting data from meters and to engage Tronox re: "upper loop" repairs. | Ongoing |
| Chlorine Line | Ongoing negotiation with all parties. | NERT to discuss with NDEP when appropriate. | Ongoing |
| BMI Complex Sanitary | NDEP awaiting status report from BMI. | | Ongoing |
| 4 th Street Paving | NERT performed minor repairs; awaiting additional information from BMI. | | Ongoing |

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| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| Easement for Parcel E (+ Western Slice) | Henderson GW, LLC will be seeking an easement instead of a purchase. | NERT to negotiate easement terms and present to NDEP. | Ongoing |
| Perchlorate Reimbursement | Received NDEP / USEPA comment on draft 2015 claim; NERT to discuss w/ US EPA. Fifth payment demand submitted on January 20 th . | Respond to any comments from DOJ. | Ongoing |
| AIG Claims | Jan-Apr 2016 submitted 9/12. May – June 2016 submitted 12/5. | | Ongoing |
| Tronox Escrow | NERT to resolve when appropriate. | | TBD |
| Financial Reporting | December report distributed. | Distribution of January report. | Ongoing |
| Tronox Lease Matters (Confidential) | Next steps to be outlined in 2017 budget submittal. | | |

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